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State Department review completed

CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 30 September 1965

INTELLIGENCE MEMORANDUM

The India-Pakistan Situation (Report #85 - As of 6:00 A.M. EDT)

- 1. Ayub Khan assumed a tough attitude in yesterday's meeting with Ambassador McConaughy. He said that it was "a great misfortune" that Pakistani efforts to moderate Chinese Communist activities had met with "something akin to bullying" rather than credit for Pakistan. Alluding to the bilateral defense agreement, Ayub claimed that "solemn pledges were almost revoked." Ayub also criticized US policy on Vietnam—he apparently thinks the US wants only weak governments in Asia—and even found an occasion to criticize the Alliance for Progress saying that it has succeeded in bringing Latin America under US influence.
- 2. The Ambassador feels that Ayub went out of his way to criticize the US. He speculates that the following may have caused Ayub's new attitude:
- a. Apprehensions of a possible diplomatic failure to force a Kashmir settlement.
- b. The spector of a military defeat in renewed hostilities.
- c. The possible public reaction to a failure to achieve a Kashmir settlement.
- d. A feeling that he may have to ask for Chinese help eventually.
- e. Increased influence of "hard liners" especially while the moderate pro-American finance minister is out of the country.
- f. Suspicion of the US and its role in all his problems. He might even imagine that the US is plotting to

- 3. Because of Ayub's attitude, the Ambassador believes that Pakistan is at a crossroads, and in six or eight weeks the outcome of the Kashmir problem may well determine Pakistan's future foreign policy.
- 4. Ayub Khan has publicly thanked Communist China for its "expression of solidarity with Pakistan's cause against naked, unprovoked Indian aggression."

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- 6. Pakistan claims to have beaten back the second attack in two days on a post on the southern part of the India West Pakistan border. According to the report, the Indians attacked with a battalion supported by mortars and artillery, and suffered heavy losses including the capture of the battalion commander.
- 7. The Indian delegate to the UN General Assembly has termed Pakistani Foreign Minister Bhutto's proposal that both nations withdraw from Kashmir "preposterous." He told the General Assembly that Bhutto was asking the UN to hand Kashmir to Pakistan "on a silver platter" and asked, "Where does he get the idea that the UN was created to put pressures on member states to satisfy the insatiable lust of countries like Pakistan?"